

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
Transcriber's Office  
FLOOR DEBATE

February 11, 2003 LB 218

sure they've thought of everything, but I would just like to have you address, yourself, if you would, to the issue of it being a crime or an occurrence to counsel somebody to default. Because in the course of practicing law and assisting people who have a troubled personal financial condition, sometimes you, in fact, urge them to default...

SENATOR CUDABACK: Senator Quandahl, would you respond?

SENATOR BRASHEAR: ...an obligation. If you would respond,...

SENATOR CUDABACK: Excuse me.

SENATOR BRASHEAR: ...please, I'd yield my time to Senator Quandahl. Thank you.

SENATOR CUDABACK: Excuse me. Senator Quandahl.

SENATOR QUANDAHN: Yes, I would and, Senator Brashear, thank you for that question too. Just to clarify, that misdemeanor penalty would not apply to counselors, attorneys, credit advisors and the like. It would just apply to licensees under the Mortgage Banker Act. That would be people engaged in the loan-making processes, and so it would not apply to attorneys. Does that answer your question?

SENATOR CUDABACK: You may.

SENATOR BRASHEAR: Thank you. Senator Quandahl, to the...I'm not trying to make this difficult. To the extent you can, would you amplify, I mean, what wrongful, immoral, illegal, ill-intentioned exercise are we trying to prohibit? Can you be specific?

SENATOR QUANDAHN: Yes. Yes. Yes. What this bill was designed to do is beef up some of the Department of Banking's remedies that they can take against a practice that, I guess generically, has been titled predatory lending. And so what the Banking Department has told us, that they need some additional tools in their tool kit to basically come down on some of the bad actors that are making these loans out there. These would be the